Military Pensions

A Look at How We Have Treated Our Veterans

Pensions for soldiers may be divided into **invalid** or **disability** pensions and **service** pensions.

An **invalid** or **disability** pension is one granted to a soldier on account of wounds or injuries received or disease contracted in the military service.

A **service** pension is granted to one who has been in the military service for a specified length of time, without regard to the question of whether or not he has incurred injury or disability in that service[1].

1. History of military pension legislation in the United States By William Henry Glasson, 1874-1946, The Columbia University Press; [etc., etc.] published 1900

Military Pension Definition

A military pension may be defined as a regular allowance made by a government to one who has been in its military service, or to his widow or dependent relatives.

Colonial Militia

Early Colonial pensions existed – However, documentation probably lacking. Check State Archives.

Examples:

1636, the Pilgrims at Plymouth enacted in their Court that any man who should be sent forth as a soldier and return maimed should be maintained competently by the colony during his life.

As early as 1644, the Virginia Assembly passed a disability pension law and later provided for the relief of the indigent families of the colony's soldiers who should be slain[1].

We find similar acts among the colonial statutes of Maryland[2], New York[3], and Rhode Island during the latter part of the seventeenth century and early eighteenth century.

Typically, the town councils were in charge of administering the pensions.

Source:

1 Hening's Statutes at Large, i, 287; ii, 331, 347, 440.

2 Archives of Md, proceedings of Assembly, 1637-8-1664, 408, 436, and also, IBID., 1678-1683,58.

3 Colonial Laws of N. Y., i, 234.

Revolutionary War and Early 19th Century Pensions

August 26, 1776 – First National Pension law - promised half pay for life or during disability to every officer, soldier, or sailor losing a limb in any engagement, or being so disabled in the service of the United States as to render him incapable of earning a livelihood.'

There were additional resolutions made in 1778, 1780, 1782. Since the Continental Congress had no money, most of these promises were worthless and dependent upon the Colonial States to pay. There were many objections, especially from the New England states complaining to Congress.

General Washington averted a mutiny by his officers and men giving one of his most important speeches before his troops. About March 10, 1783, appeared the famous " Newburgh Addresses," urging the officers of the army not to separate until Congress had done justice to their claims.

Prior to 1816, Congress had been expending approximately $120,000 a year.

> This included roughly 185 officers and 1,572 non-commissioned officers' pensions and 52 officers and 391 soldiers who had become disabled.

After 1816, pensions for a private increased from $5 to $8 per month. Officers increased $2 - $3 per month. Expenditures would increase to $200,000 per year including those claims from the War of 1812.

War Pension Act of 1818

After dragging its feet for 35 years after the Revolutionary War concluded in 1783, Congress finally addressed the issue of how to care for America's veterans with the War Pension Act of 1818.

1817, President Monroe had recommended to Congress some provision for the indigent survivors of the Revolutionary army, of whom he thought there were but few[1].

1. History of military pension legislation in the United States By William Henry Glasson, 1874-1946, The Columbia University Press; published 1900, Page 33

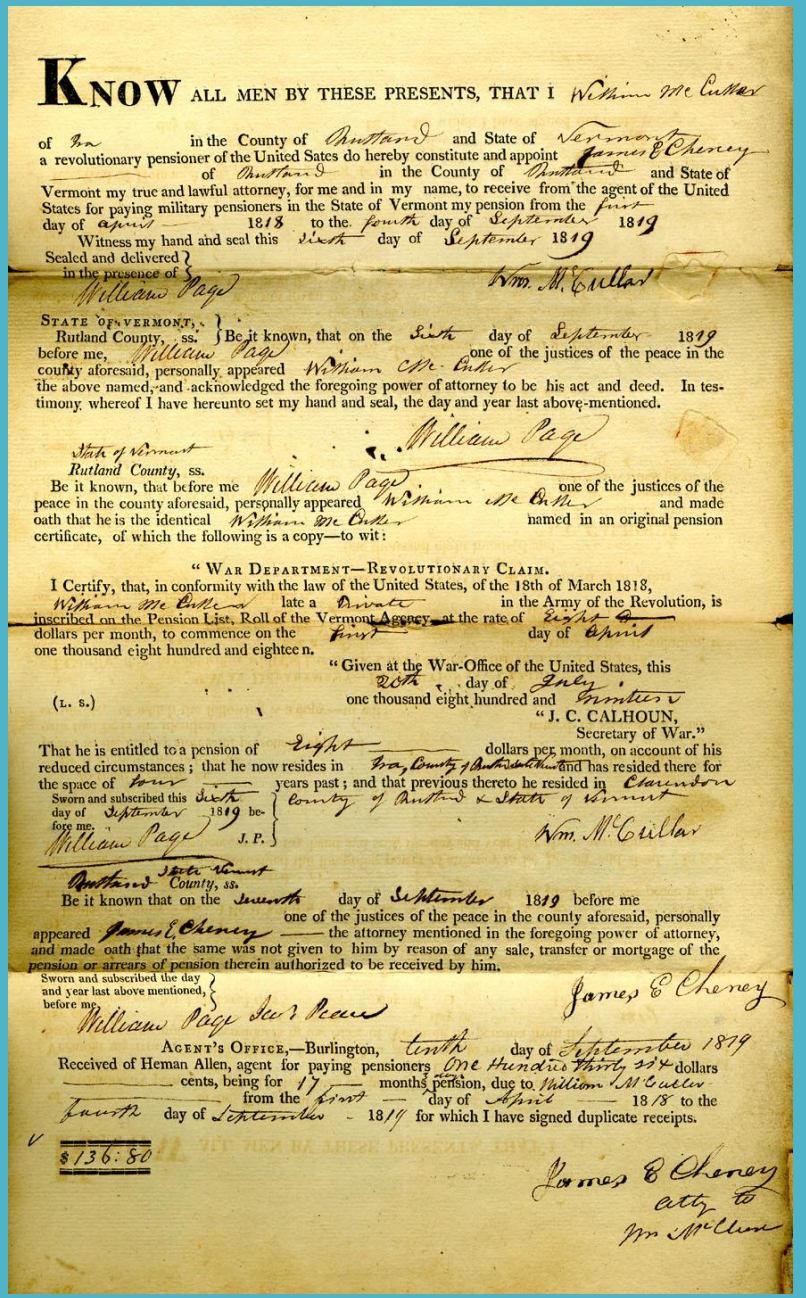
War Pension Act of 1818

This created several problems.

The act provided that every person who had served in the Revolutionary War until its close, or for the term of nine months or longer at any period of the war, on the Continental establishment or in the navy, and who was a resident citizen of the United States and was by reason of his reduced circumstances in life " in need of assistance from his country for support," should receive a pension[1].

President Monroe underestimated the number of claims including those from the Revolutionary War.

1. History of military pension legislation in the United States By William Henry Glasson, 1874-1946, The Columbia University Press; published 1900, Page 36



KNOW ALL MEN BY THESE PRESENTS, THAT I William Mc Cullar of Ira in the County of Rutland and State of Vermont a revolutionary pensioner of the United Sates do hereby constitute and appoint James E Cheney of Rutland in the County of Rutland and State of Vermont my true and lawful attorney, for me and in my name, to receive from the agent of the United States for paying military pensioners in the State of Vermont my pension from the first day of april 1818 to the fourth day of September 1819

Witness my hand and seal this Sixth day of September 1819

Sealed and delivered in the presence of William Page

Wm. M. Cullar

STATE OF VERMONT, Rutland County, ss. Be it known, that on the Sixth day of September 1819 before me, William Page one of the justices of the peace in the county aforesaid, personally appeared William Mc Cullar the above named, and acknowledged the foregoing power of attorney to be his act and deed. In testimony whereof I have hereunto set my hand and seal, the day and year last above-mentioned.

William Page

State of Vermont Rutland County, ss.

Be it known, that before me William Page one of the justices of the peace in the county aforesaid, personally appeared William Mc Cullar and made oath that he is the identical William Mc Cullar named in an original pension certificate, of which the following is a copy—to wit:

"WAR DEPARTMENT—REVOLUTIONARY CLAIM.

I Certify, that, in conformity with the law of the United States, of the 18th of March 1818, William Mc Cullar late a Private in the Army of the Revolution, is inscribed on the Pension List, Roll of the Vermont Agency, at the rate of Eight dollars per month, to commence on the first day of April one thousand eight hundred and eighteen.

"Given at the War-Office of the United States, this 20th day of July one thousand eight hundred and Nineteen

(L. S.)

"J. C. CALHOUN, Secretary of War."

That he is entitled to a pension of Eight dollars per month, on account of his reduced circumstances; that he now resides in Ira, County of Rutland & State of Vermont and has resided there for the space of four years past; and that previous thereto he resided in Clarendon County of Rutland & State of Vermont

Sworn and subscribed this Sixth day of September 1819 before me. William Page J. P.

Wm. M. Cullar

Rutland State Vermont County, ss.

Be it known that on the Seventh day of September 1819 before me one of the justices of the peace in the county aforesaid, personally appeared James E Cheney the attorney mentioned in the foregoing power of attorney, and made oath that the same was not given to him by reason of any sale, transfer or mortgage of the pension or arrears of pension therein authorized to be received by him.

Sworn and subscribed the day and year last above mentioned, before me. William Page Just Peace

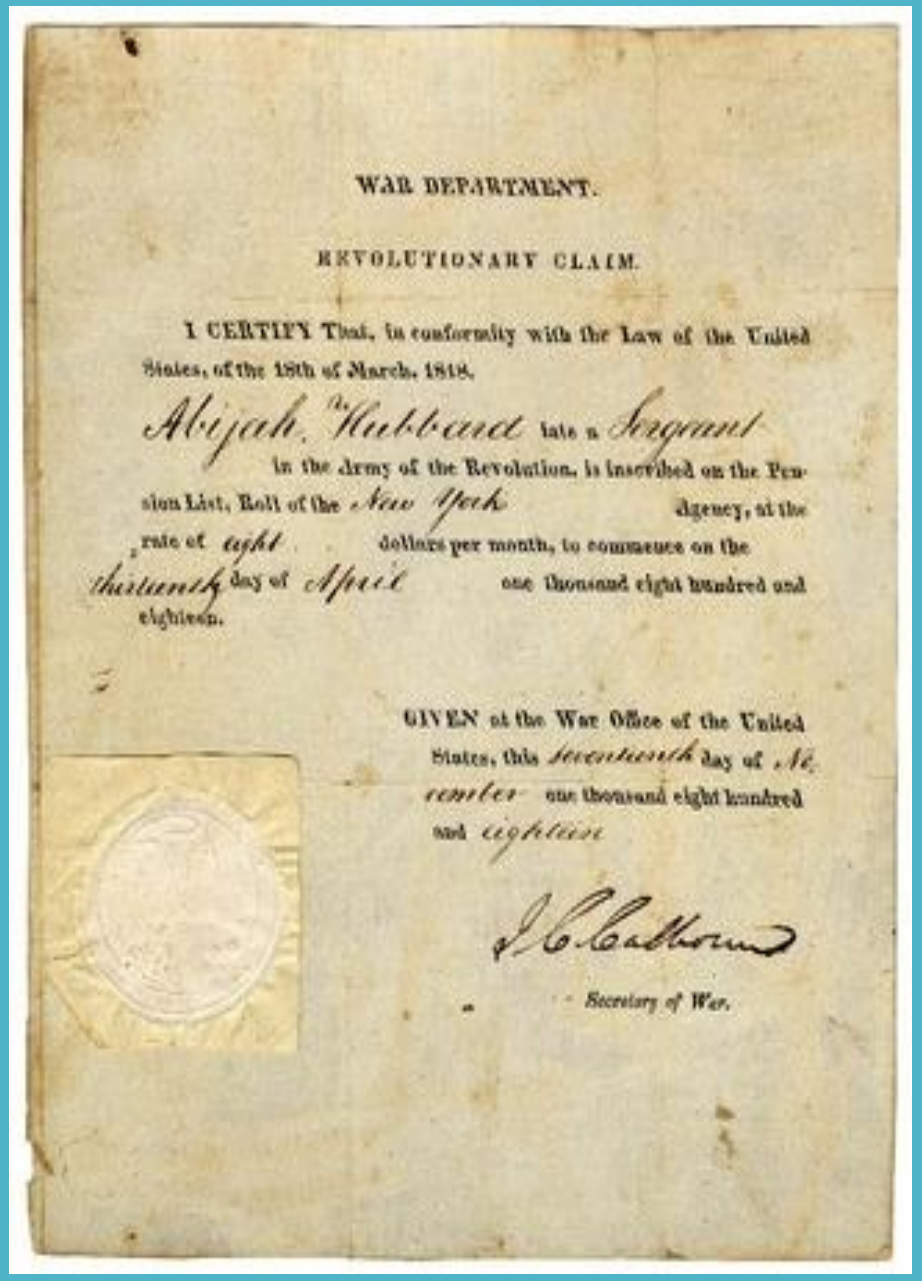
James E Cheney

AGENT'S OFFICE,—Burlington, tenth day of September 1819

Received of Heman Allen, agent for paying pensioners One hundred thirty six dollars ____ cents, being for 17 months pension, due to Willim Mc Cullar from the first day of April 1818 to the fourth day of September 1819 for which I have signed duplicate receipts.

$136:80

James E Cheney atty to Wm McCullar



WAR DEPARTMENT.

REVOLUTIONARY CLAIM.

I CERTIFY That, in conformity with the Law of the United States, of the 18th of March, 1818,

Abijah Hubbard late a Sergeant in the army of the Revolution, is inscribed on the Pension List, Roll of the New York agency, at the rate of eight dollars per month, to commence on the thirtieth day of April one thousand eight hundred and eighteen.

GIVEN at the War Office of the United States, this seventeenth day of November one thousand eight hundred and eighteen

J. C. Calhoun

Secretary of War.

War Pension Act of 1818

This led to a massive increase in claims.

A lot of claims were made by men of “means” claiming they were paupers in order to receive a pension depositing the entire amounts into savings accounts.

An Officer might receive $20 per month. Enlisted received $8 per month.

The American Public was appalled to see expenditures go from two hundred thousand dollars per year to two to three million dollars a year.

As a result of fraudulent claims, by 1820 Congress reduced benefits and removed thousands from the pension rolls. It hurt those veterans who could not provide sufficient evidence to validate their claims.

Further Changes to Military Pensions between 1820 and 1832

By 1822, those who had been removed from the roll were reinstated. But the damage had already been done. Those who had given up previous pensions to take advantage of the 1818 changes did not have a health care system to fall back on.

Health care in 1818 was not good, primitive by today's standards.

Veterans did not have a support system to fall back on.

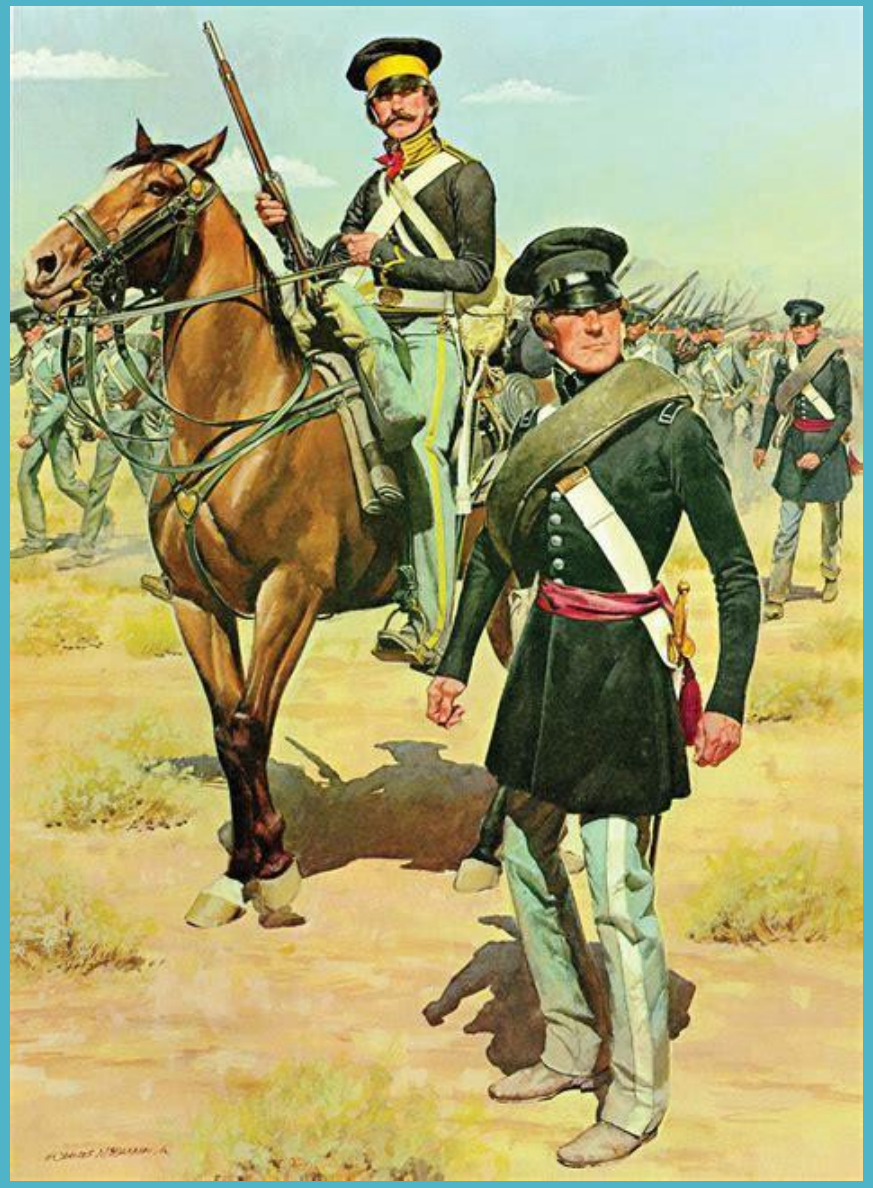
Veterans who were poor had to rely on a local charity to get by.

By 1828, further changes were being made by Congress.

President John Quincy Adams, in his message of December 1827, recommended to Congress "the debt, rather of justice than gratitude, to the surviving warriors of the Revolutionary War."[1] Congress passed the pension bill that granted full pay for life in 1828.

1. History of military pension legislation in the United States By William Henry Glasson, 1874-1946, The Columbia University Press; published 1900, Page 40

Mexican-American War



War was declared on Mexico on May 13, 1846 and lasted two years.

As part of the declaration, the act promised the same benefits as provided for regular troops. (granted on same basis for War of 1812 and Indian Wars)

Between 1848 and 1850, several acts were passed granting 5 years' half pay to the widows and orphans (up to 16 years of age).

Act of June 3, 1858, extended the half-pay for widows for life or orphans to the age of 16.

By the Civil War, "Old War" rates were increased to that of earlier Civil War pensions.

In 1871 Mexican-American Veterans were becoming dissatisfied they were not getting what they deserved after the passage of War of 1812 service pension bill.

Mexican American War

Of course, there are always stipulations by 1887: Widows could not remarry.

Every Person pensioned must be sixty-two years of age, or
Subject to a disability or dependency to the cause recognized by US Pension laws

Nor must the disability be incurred fighting against the US Government during the Civil War.

The pension paid out 8 dollars a month for life.

The act did not apply to previous pensioned (at 8 dollars/month or more)
It applied only to the difference for those receiving less than 8 dollars/month

Disloyalty was not a reason to be rejected for a pension, but the act provided benefits were NOT to be paid out under the Fourteenth Amendment. See Section 3.
https://www.law.cornell.edu/constitution/amendmentxiv

By 1899, 5207 survivors were paid 8 dollars/month, 4121 at 12 dollars/month, and a small number more than 12 dollars/month. Widows typically were paid 8 dollars/month except when special petitions were granted.

Civil War Pensions – 1861 onward

When Fort Sumter was fired upon and the war was declared by the Union, the war act removed all enrollees from the Southern States.

The Civil war would see over 2 million veterans who could legitimately apply for a pension or some benefit.

There was not just one pension system put in place after the war. Union soldiers were covered under the federal system while each former Confederate state had to create and fund its own pension system[1].

Also, it opened up claims for African-Americans. (it also made it difficult for them to file as well).

Women were also included both as widows and as veterans (primarily nurses) as time went on[2].

1. https://www.essentialcivilwarcurriculum.com/civil-war-pensions.html
2. ibid

Civil War Pensions

Pensions were paid out based on rank and time in service.

Early Pensions were still paid at 8 dollar per month

However, as the war progressed, pension rates were increased as a recruiting tool.

The Arrears Act of 1879 bridged the time from when they were discharged or wounded to the time of pension application. It provided a lump sum to the cover the bridge. But the Veteran still needed to be disabled as a result of their service.

By 1890, the biggest change would be enacted providing expanded eligibility to veterans who were disabled and unable to do manual labor even if the disability was not a direct war injury.

By 1893, over a million veterans were on the pension rolls resulting in a huge increase in expenditures (it was 40% of the Federal budget).

Rates and Disabilities Specified by Law.	From July 4, 1864.	From Mar. 3, 1865.	From June 6, 1866.	From June 4, 1872.	From June 4, 1874.	From Feb. 28, 1877.	From June 17, 1878.	From Mar. 3, 1879.	From Mar. 3, 1883.	From Mar. 3, 1885.	From Aug. 4, 1886.	From Aug. 27, 1888.	From Feb. 12, 1889.	From Mar. 4, 1890.	Act of July 14, 1892.
Loss of both hands	$25	...	...	$31¼	$50	...	$72	.....	...	.....	...	...	$100	...	....
Loss of sight of both eyes	25	...	...	31¼	50	...	72	.....	...	.....	...	...	...	...	....
Loss of both feet	20	...	...	31¼	50	...	72	.....	...	.....	...	...	....	...	....
Loss of sight of one eye, the sight of the other lost before enlistment	...	...	$25	31¼	50	...	72	.....	...	.....	...	...	....	...	....
Total disability in both hands	...	...	25	31¼	50	...	72	.....	...	.....	...	...	....	...	....
Regular aid and attendance (first grade)	...	...	25	31¼	50	...	72	.....	...	...	...	...	....	$72	[*]
Periodical aid and attendance	...	...	...	.....	...	...	..	....	...	.....	...	...	....	...	†$50
Loss of a leg at hip joint	...	...	15	24	...	...	...	$37½	...	.....	$45	...	....	...	....
Loss of an arm at shoulder joint	...	...	15	18	24	...	...	.....	$30	$37½	45	...	....	...	....
Loss of an arm at or above elbow, or a leg at or above knee	...	...	15	18	24	...	...	.....	30	.....	36	...	....	...	....
Loss of a leg above the knee causing inability to wear an artificial limb	...	...	15	24	...	...	...	.....	30	.....	36	...	....	...	....
Loss of one hand and one foot	...	$20	...	24	...	$36	...	.....	...	.....	...	...	....	...	....
Total disability in one arm and one leg	...	...	15	18	...	...	...	.....	24	.....	36	...	....	...	....
Total disability in one hand or one foot	...	...	20	24	...	36	...	.....	...	.....	...	...	....	...	....
Total disability in both feet	...	...	20	31¼	...	...	...	.....	...	.....	...	...	....	...	....
Loss of a hand or a foot	...	...	15	18	...	...	...	.....	24	.....	30	...	....	...	....
Total disability in one hand or one foot	...	...	15	18	...	...	...	.....	24	.....	30	...	....	...	....
Incapacity to perform manual labor	...	...	20	24	...	...	...	.....	30	.....	...	...	....	...	....
Total deafness	...	...	...	13	...	...	...	.....	...	.....	...	$30	....	...	....
Disability equivalent to the loss of a hand or a foot	...	...	15	18	...	...	...	.....	24	.....	...	...	....	...	....

* Seventy-two dollars from June 17, 1878, only where the rate was $50 under the Act of June 18, 1874, and granted prior to June 16, 1880. First grade proper is $50, amended by the Act of March 4, 1890, which increases rate to $72.

† From date of medical examination held after July 14, 1892.

Year ending June 30.	First payments.	Pensions exclusive of first payments.	Total disbursements.
	Dollars.	*Dollars.*	*Dollars.*
1877	3,284,937.12	24,837,746.36	28,580,157.04
1878	2,992,352.17	23,538,439.93	26,844,415.18
1879	5,763,758.60	27,725,979.96	33,780,526.19
1880	12,468,191.20	44,558,802.92	57,240,540.14
1881	23,628,176.61	26,458,498.14	50,626,538.51
1882	26,421,669.19	27,408,390.05	54,296,280.54
1883	29,906,753.94	29,915,480.89	60,431,972.85
1884	23,413,815.10	32,682,126.58	57,273,536.74
1885	27,115,912.21	37,817,375.91	65,693,706.72
1886	22,137,054.16	41,621,591.49	64,584,270.45
1887	25,166,990.06	48,300,591.81	74,815,486.85
1888	22,299,605.46	56,568,841.28	79,646,146.37
1889	21,442,349.13	66,832,764.15	89,131,968.44
1890	38,721,866.03	66,806,314.35	106,493,890.19
1891	38,652,274.31	78,326,898.41	118,548,959.71
1892	45,114,167.68	94,045,188.71	141,086,948.84
1893	33,756,549.38	122,983,917.76	158,155,342.51
1894	11,917,359.58	127,887,101.47	140,772,163.78
1895	11,451,133.01	128,356,204.29	140,959,361.37
1896	11,289,278.48	126,925,483.46	139,280,078.15
1897	12,575,601.40	127,374,115.95	139,949,717.35
1898	15,542,914.03	129,108,965.77	144,651,879.80
1899	9,247,957.75	129,107,095.20	138,355,052.95

History of military pension legislation in the United States
By William Henry Glasson, 1874-1946, The Columbia University Press; [etc., etc.] published 1900
Page 77 and 104. (Archive.org)

Civil War Pensions

The last major change to the Civil War Pensions was made in 1907 when old age was added as a disability.

The last Civil War veteran pension was paid out to Albert Woolson who died in 1956. Last Civil War pension was paid out to a widow in 2008 and children in 2012.

Confederate Veterans faced a whole other set of problems. Southern states that had ceded from the Union had to provide and fund their own pension systems with Georgia becoming the model for future benefits.

Georgia provided one of the first benefits for artificial limbs in 1871 (ignoring the cost of travel and time off) setting the stage for future war benefit models.

The Civil War pension system provided a model for later systems. This was a warning to the federal government of what might happen if there were even bigger wars later. It also provided desperately needed assistance to thousands who had nowhere else to turn.

World War 1 –The War to End of All Wars

At the end of WW1, troops were withdrawn from Europe but there was no provision for benefits or pensions.

The World War Adjusted Compensation Act of 1924 provided one of the first benefits.

WW1 Veterans were awarded a value for time serve with additional monies for serving overseas. For service between April 15, 1917, and July 1, 1919, veterans were awarded $1 per day served and $1.25 if overseas. It set the maximum at $500 (abt. $8 thousand in 2021 dollars) and $625 for overseas.

If an officer or enlisted person signed up after November 11th, 1918, they were excluded.

However, veterans were issued a certificate that was redeemable upon their birthday in 1945.

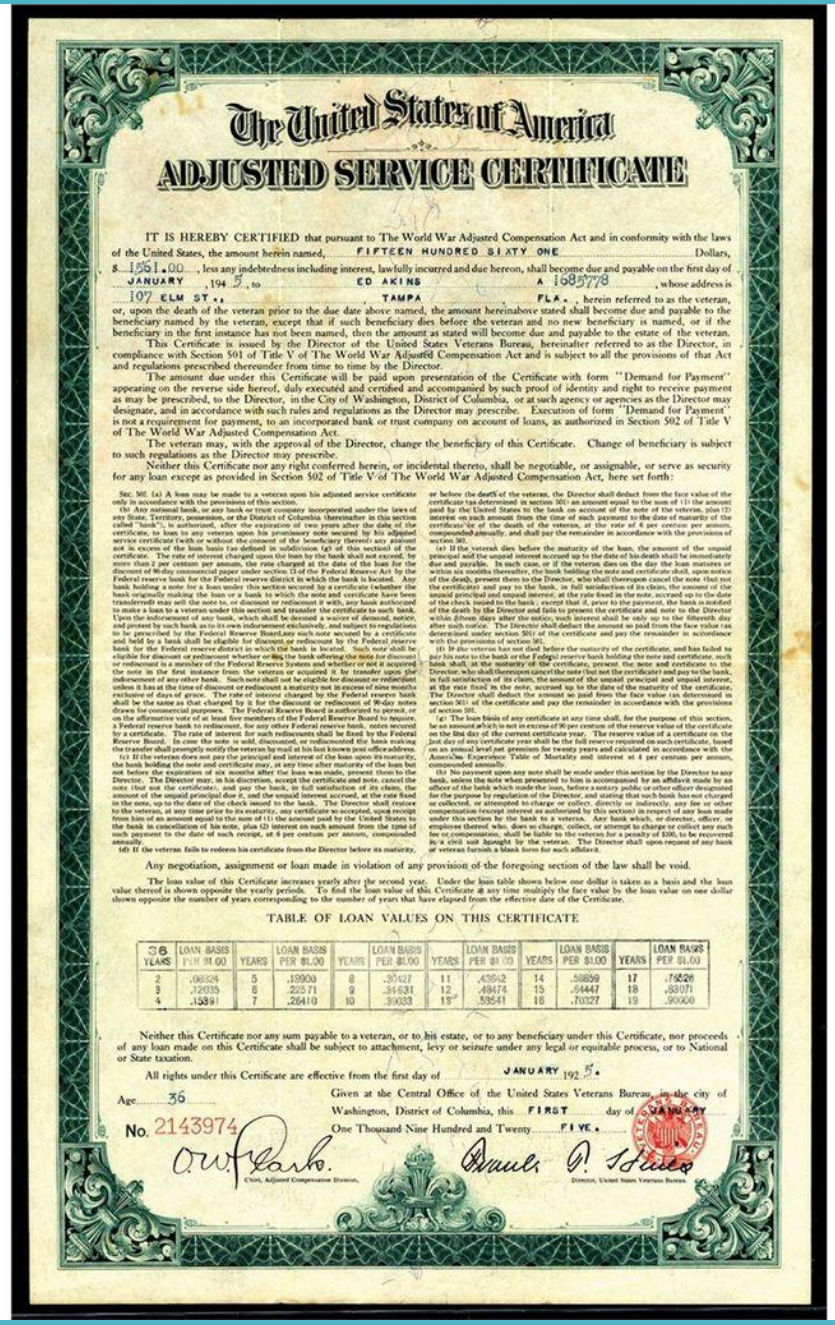
World War 1 Pensions

The 1924 legislation authorized immediate payments to anyone due less than $50.

The estate of a deceased veteran could be paid his award immediately if the amount was less than $500.

Adjusted Service Certificate
All others were awarded an "Adjusted Service Certificate," which functioned like an insurance policy redeemable after 20 years.

With the economic depression in the 1930s, it was difficult for veterans to get by. With few work opportunities and a lot of veterans unemployed, times were tough.



The United States of America

ADJUSTED SERVICE CERTIFICATE

IT IS HEREBY CERTIFIED that pursuant to The World War Adjusted Compensation Act and in conformity with the laws of the United States, the amount herein named, FIFTEEN HUNDRED SIXTY ONE Dollars, $1561.00, less any indebtedness including interest, lawfully incurred and due hereon, shall become due and payable on the first day of JANUARY, 194 5, to ED AKINS A 1685778, whose address is 107 ELM ST., TAMPA FLA., herein referred to as the veteran, or, upon the death of the veteran prior to the due date above named, the amount hereinabove stated shall become due and payable to the beneficiary named by the veteran, except that if such beneficiary dies before the veteran and no new beneficiary is named, or if the beneficiary in the first instance has not been named, then the amount as stated will become due and payable to the estate of the veteran.

This Certificate is issued by the Director of the United States Veterans Bureau, hereinafter referred to as the Director, in compliance with Section 501 of Title V of The World War Adjusted Compensation Act and is subject to all the provisions of that Act and regulations prescribed thereunder from time to time by the Director.

The amount due under this Certificate will be paid upon presentation of the Certificate with form "Demand for Payment" appearing on the reverse side hereof, duly executed and certified and accompanied by such proof of identity and right to receive payment as may be prescribed, to the Director, in the City of Washington, District of Columbia, or at such agency or agencies as the Director may designate, and in accordance with such rules and regulations as the Director may prescribe. Execution of form "Demand for Payment" is not a requirement for payment, to an incorporated bank or trust company on account of loans, as authorized in Section 502 of Title V of The World War Adjusted Compensation Act.

The veteran may, with the approval of the Director, change the beneficiary of this Certificate. Change of beneficiary is subject to such regulations as the Director may prescribe.

Neither this Certificate nor any right conferred herein, or incidental thereto, shall be negotiable, or assignable, or serve as security for any loan except as provided in Section 502 of Title V of The World War Adjusted Compensation Act, here set forth:

Sec. 502. (a) A loan may be made to a veteran upon his adjusted service certificate only in accordance with the provisions of this section.

(b) Any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia (hereinafter in this section called "bank"), is authorized, after the expiration of two years after the date of the certificate, to loan to any veteran upon his promissory note secured by his adjusted service certificate (with or without the consent of the beneficiary thereof) any amount not in excess of the loan basis (as defined in subdivision (g) of this section) of the certificate. The rate of interest charged upon the loan by the bank shall not exceed, by more than 2 per centum per annum, the rate charged at the date of the loan for the discount of 90-day commercial paper under section 13 of the Federal Reserve Act by the Federal reserve bank for the Federal reserve district in which the bank is located. Any bank holding a note for a loan under this section secured by a certificate (whether the bank originally making the loan or a bank to which the note and certificate have been transferred) may sell the note to, or discount or rediscount it with, any bank authorized to make a loan to a veteran under this section and transfer the certificate to such bank. Upon the indorsement of any bank, which shall be deemed a waiver of demand, notice, and protest by such bank as to its own indorsement exclusively, and subject to regulations to be prescribed by the Federal Reserve Board, any such note secured by a certificate and held by a bank shall be eligible for discount or rediscount by the Federal reserve bank for the Federal reserve district in which the bank is located. Such note shall be eligible for discount or rediscount whether or not the bank offering the note for discount or rediscount is a member of the Federal Reserve System and whether or not it acquired the note in the first instance from the veteran or acquired it by transfer upon the indorsement of any other bank. Such note shall not be eligible for discount or rediscount unless it has at the time of discount or rediscount a maturity not in excess of nine months exclusive of days of grace. The rate of interest charged by the Federal reserve bank shall be the same as that charged by it for the discount or rediscount of 90-day notes drawn for commercial purposes. The Federal Reserve Board is authorized to permit, or on the affirmative vote of at least five members of the Federal Reserve Board to require, a Federal reserve bank to rediscount, for any other Federal reserve bank, notes secured by a certificate. The rate of interest for such rediscounts shall be fixed by the Federal Reserve Board. In case the note is sold, discounted, or rediscounted the bank making the transfer shall promptly notify the veteran by mail at his last known post office address.

(c) If the veteran does not pay the principal and interest of the loan upon its maturity, the bank holding the note and certificate may, at any time after maturity of the loan but not before the expiration of six months after the loan was made, present them to the Director. The Director may, in his discretion, accept the certificate and note, cancel the note (but not the certificate), and pay the bank, in full satisfaction of its claim, the amount of the unpaid principal due it, and the unpaid interest accrued, at the rate fixed in the note, up to the date of the check issued to the bank. The Director shall restore to the veteran, at any time prior to its maturity, any certificate so accepted, upon receipt from him of an amount equal to the sum of (1) the amount paid by the United States to the bank in cancellation of his note, plus (2) interest on such amount from the time of such payment to the date of such receipt, at 6 per centum per annum, compounded annually.

(d) If the veteran fails to redeem his certificate from the Director before its maturity, or before the death of the veteran, the Director shall deduct from the face value of the certificate (as determined in section 501) an amount equal to the sum of (1) the amount paid by the United States to the bank on account of the note of the veteran, plus (2) interest on such amount from the time of such payment to the date of maturity of the certificate or of the death of the veteran, at the rate of 6 per centum per annum, compounded annually, and shall pay the remainder in accordance with the provisions of section 501.

(e) If the veteran dies before the maturity of the loan, the amount of the unpaid principal and the unpaid interest accrued up to the date of his death shall be immediately due and payable. In such case, or if the veteran dies on the day the loan matures or within six months thereafter, the bank holding the note and certificate shall, upon notice of the death, present them to the Director, who shall thereupon cancel the note (but not the certificate) and pay to the bank, in full satisfaction of its claim, the amount of the unpaid principal and unpaid interest, at the rate fixed in the note, accrued up to the date of the check issued to the bank; except that if, prior to the payment, the bank is notified of the death by the Director and fails to present the certificate and note to the Director within fifteen days after the notice, such interest shall be only up to the fifteenth day after such notice. The Director shall deduct the amount so paid from the face value (as determined under section 501) of the certificate and pay the remainder in accordance with the provisions of section 501.

(f) If the veteran has not died before the maturity of the certificate, and has failed to pay his note to the bank or the Federal reserve bank holding the note and certificate, such bank shall, at the maturity of the certificate, present the note and certificate to the Director, who shall thereupon cancel the note (but not the certificate) and pay to the bank, in full satisfaction of its claim, the amount of the unpaid principal and unpaid interest, at the rate fixed in the note, accrued up to the date of the maturity of the certificate. The Director shall deduct the amount so paid from the face value (as determined in section 501) of the certificate and pay the remainder in accordance with the provisions of section 501.

(g) The loan basis of any certificate at any time shall, for the purpose of this section, be an amount which is not in excess of 90 per centum of the reserve value of the certificate on the first day of the current certificate year. The reserve value of a certificate on the first day of any certificate year shall be the full reserve required on such certificate, based on an annual level net premium for twenty years and calculated in accordance with the American Experience Table of Mortality and interest at 4 per centum per annum, compounded annually.

(h) No payment upon any note shall be made under this section by the Director to any bank, unless the note when presented to him is accompanied by an affidavit made by an officer of the bank which made the loan, before a notary public or other officer designated for the purpose by regulation of the Director, and stating that such bank has not charged or collected, or attempted to charge or collect, directly or indirectly, any fee or other compensation (except interest as authorized by this section) in respect of any loan made under this section by the bank to a veteran. Any bank which, or director, officer, or employee thereof who, does so charge, collect, or attempt to charge or collect any such fee or compensation, shall be liable to the veteran for a penalty of $100, to be recovered in a civil suit brought by the veteran. The Director shall upon request of any bank or veteran furnish a blank form for such affidavit.

Any negotiation, assignment or loan made in violation of any provision of the foregoing section of the law shall be void.

The loan value of this Certificate increases yearly after the second year. Under the loan table shown below one dollar is taken as a basis and the loan value thereof is shown opposite the yearly periods. To find the loan value of this Certificate at any time multiply the face value by the loan value on one dollar shown opposite the number of years corresponding to the number of years that have elapsed from the effective date of the Certificate.

TABLE OF LOAN VALUES ON THIS CERTIFICATE

36 YEARS	LOAN BASIS PER $1.00	YEARS	LOAN BASIS PER $1.00	YEARS	LOAN BASIS PER $1.00	YEARS	LOAN BASIS PER $1.00	YEARS	LOAN BASIS PER $1.00	YEARS	LOAN BASIS PER $1.00
2	.06824	5	.18900	8	.30127	11	.43512	14	.56859	17	.70226
3	.12035	6	.22571	9	.34631	12	.48474	15	.61447	18	.83071
4	.15391	7	.26410	10	.39033	13	.53541	16	.76327	19	.90000

Neither this Certificate nor any sum payable to a veteran, or to his estate, or to any beneficiary under this Certificate, nor proceeds of any loan made on this Certificate shall be subject to attachment, levy or seizure under any legal or equitable process, or to National or State taxation.

All rights under this Certificate are effective from the first day of JANUARY 192 5.

Age 36

No. 2143974

Given at the Central Office of the United States Veterans Bureau, in the city of Washington, District of Columbia, this FIRST day of JANUARY One Thousand Nine Hundred and Twenty FIVE.

O. W. Clarke. Chief, Adjusted Compensation Division.

Frank T. Hines. Director, United States Veterans Bureau.

World War 1 Pensions

Veterans were able to take out loans against their certificates beginning in 1927. By June 30, 1932, more than 2.5 million veterans had borrowed $1.369 billion.

Bonus Army

The Bonus Army was a protest by approximately 17000 veterans and another 26000 families and supporters that marched on Washington DC in 1932. A lot of veterans were out of work because of the economic depression and the certificates they received were not redeemable until 1945.

They demanded immediate relief from the Government and set up a tent city (Hooverville) on the Mall. General Douglas MacArthur was ordered to remove the campsites/shanties and once done, burn and remove the tents.

Another smaller set of marchers was set to take up the cause at the beginning of Roosevelt's Presidency but was averted with the establishment of Civilian Conservation Corps. In 1936, Congress chose to pay the veterans their bonus nine years early.

In 1936, the Adjusted Compensation Payment Act (January 27, 1936, ch. 32, 49 Stat. 1099) replaced the 1924 Act's service certificates with bonds issued by the Treasury Department that could be redeemed at any time.

World War 2 – The Introduction of the GI Bill

While World War II was still being fought, the Department of Labor estimated that, after the war, 15 million men and women who had been serving in the armed services would be unemployed.

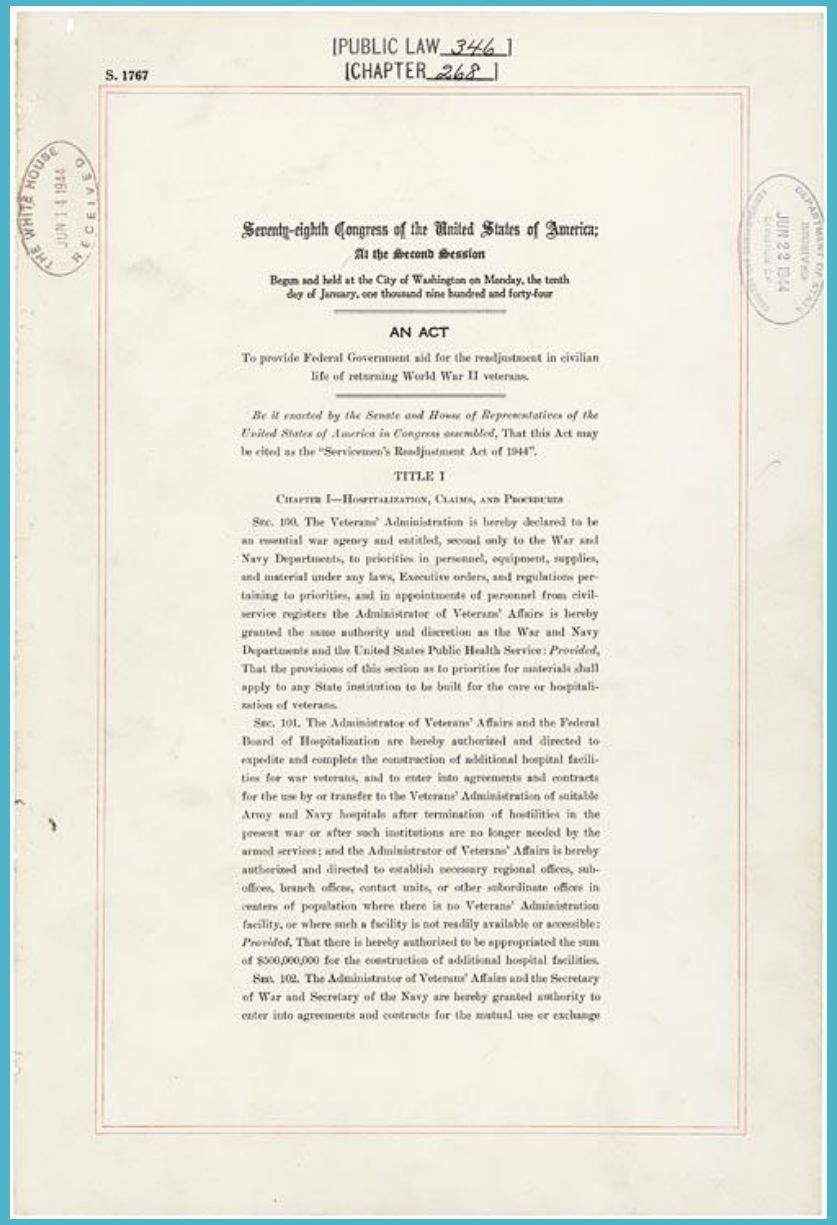
The Bill called the Servicemen's Readjustment Act of 1944 passed both the House and Senate unanimously in Spring 1944.

Signed into law by President Franklin D. Roosevelt on June 22, 1944, this act, also known as the G.I. Bill, provided World War II veterans with funds for college education, unemployment insurance, and housing.

It put higher education within the reach of millions of veterans of WWII and later military conflicts.

The American Legion designed the main features what American Legion publicist Jack Cejnar called "the GI Bill of Rights,

World War 2 – The Introduction of the GI Bill



[PUBLIC LAW 346]
[CHAPTER 268]

S. 1767

Seventy-eighth Congress of the United States of America;
At the Second Session

Begun and held at the City of Washington on Monday, the tenth day of January, one thousand nine hundred and forty-four

AN ACT

To provide Federal Government aid for the readjustment in civilian life of returning World War II veterans.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Servicemen's Readjustment Act of 1944".

TITLE I

CHAPTER I—HOSPITALIZATION, CLAIMS, AND PROCEDURES

SEC. 100. The Veterans' Administration is hereby declared to be an essential war agency and entitled, second only to the War and Navy Departments, to priorities in personnel, equipment, supplies, and material under any laws, Executive orders, and regulations pertaining to priorities, and in appointments of personnel from civil-service registers the Administrator of Veterans' Affairs is hereby granted the same authority and discretion as the War and Navy Departments and the United States Public Health Service: *Provided*, That the provisions of this section as to priorities for materials shall apply to any State institution to be built for the care or hospitalization of veterans.

SEC. 101. The Administrator of Veterans' Affairs and the Federal Board of Hospitalization are hereby authorized and directed to expedite and complete the construction of additional hospital facilities for war veterans, and to enter into agreements and contracts for the use by or transfer to the Veterans' Administration of suitable Army and Navy hospitals after termination of hostilities in the present war or after such institutions are no longer needed by the armed services; and the Administrator of Veterans' Affairs is hereby authorized and directed to establish necessary regional offices, suboffices, branch offices, contact units, or other subordinate offices in centers of population where there is no Veterans' Administration facility, or where such a facility is not readily available or accessible: *Provided*, That there is hereby authorized to be appropriated the sum of $500,000,000 for the construction of additional hospital facilities.

SEC. 102. The Administrator of Veterans' Affairs and the Secretary of War and Secretary of the Navy are hereby granted authority to enter into agreements and contracts for the mutual use or exchange

The GI Bill provided Federal Aid in the following areas:

Hospitalization, low-cost loans toward the purchase of homes and businesses, and especially, education.

This act provided tuition, subsistence, books and supplies, equipment, and counseling services for veterans to continue their education in school or college. By 1956, it is estimated 2.2 million veterans had taken advantage of college, 5.6 million for some type of training program.

Again, African-Americans were again stymied by prejudice and discrimination unable to secure loans for homes, especially in white neighborhoods.

Although the original act expired in 1956, it has been extended several times to cover other conflicts i.e. Korea, Vietnam, and the Gulf wars.

Current Military Pensions

Pension Benefits for Military Retirees

Two Retirement Systems

The new Blended Retirement System (BRS)
You Joined after January 1, 2018

- Includes matching Thrift Savings Plan contributions (Similar to 401(k))
- Mid-Career retention bonuses
- A monthly annuity for life after 20 years.
  - Annuity based on the calculation of 2% per year served.

The Legacy High-3 System (also known as the High-36 or Military Retired Pay)
You joined before January 1, 2018
However, if you joined between January 1, 2006, and December 31, 2017, you could remain in the Legacy High-3 or join the BRS. The last day to enroll in the BRS was December 31, 2018.

- Must have served 20 years or more to qualify for a lifetime monthly annuity.
- Annuity based on years of service. Calculated at 2.5% times the highest 36 months of duty.

Military Pension Taxes

Difference between military retirement benefits and VA Pension
Military retirement is taxable, but a VA pension is tax-free

Military retirement uses years of service (not necessarily wartime).

But a VA Pension is based on wartime service and financial need.

Veterans can receive disability compensation, but it is not the same as a VA pension.

Disability compensation is for an illness or injury that happens because of or was made worse by military service. Not incomed based, war service is not required.

A VA Pension is for war veterans with a low income and who may have a disability that is not service-related.

Resources

Ancestry, MyHeritage and others are paid subscriptions each with their own databases. $$

Fold3 (Ancestry) has over 23 million results. Search Keyword “Pensions” (Fold3.com) $$

FamiySearch.org: United States Military Pension Records: Free Subscription
https://www.familysearch.org/en/wiki/United_States_Military_Records

National Archives: https://www.archives.gov/research/military Free

Cyndi’s List: https://www.cyndislist.com/us/military/records/ Free Search
(links might lead to paid subscriptions)

Google Search: “State Archives Military Pensions”
(Look for State Archives with Pension Records)

Military SIG February 2022 Presentation: https://archive.org/details/military-discharge-presentation-1feb-2022